

CITY OF ALAMO HEIGHTS
CITY COUNCIL
August 9, 2010

A regular meeting of the City Council of the City of Alamo Heights, Texas was held at the Council Chambers, 6120 Broadway, at 5:30 p.m. on Monday, August 9, 2010.

Present and composing a quorum were:

Mayor Louis Cooper
Mayor Pro-Tempore Stan McCormick
Councilmember Bobby Rosenthal
Councilmember Fred Prassel
Councilmember Elliot Weser
Councilmember John Savage

Also attending were:

City Manager Ann Benson McGlone
Assistant City Manager/Public Works Director Shawn P. Eddy
Communications/IT Manager Marian Ramirez
Finance Director Cynthia Barr
Community Development Director Brian Chandler
Human Resource Manager Judith E. Surratt
City Secretary Jennifer Reyna
Interim Fire Chief Buddy Kuhn
Police Chief Rick Pruitt

Absent was:

City Attorney Mike Brennan

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Mayor Louis Cooper called the meeting to order at 5:35 p.m.

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Item # 1 **Recognition of Firefighter/Paramedic Sam Menges on his retirement
after 27 years of public service with the City of Alamo Heights**

City Manager Ann McGlone thanked Firefighter/Paramedic Sam Menges for his service and noted that he was one of the first Paramedics hired when Alamo Heights EMS was first formed. Mr. Menges had also served as the City's Fire Marshall.

Mayor Cooper presented a plaque to Mr. Menges.

Interim Fire Chief Buddy Kuhn thanked Mr. Menges for his hard work and presented him with his Fire Marshall's badge and Firefighter helmet.

Margaret Houston, 140 Patterson Avenue, wished Mr. Menges a good farewell and expressed her appreciation for his years of service.

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Mayor Cooper asked City Council for any corrections to the minutes of the June 22, 2010, Budget Work Session. A motion was made by Councilmember Elliot Weser to approve the minutes of June 22, 2010 as amended. The motion was seconded by Councilmember Fred Prassel and passed by unanimous vote.

Mayor Cooper asked City Council for any corrections to the minutes of the June 28, 2010, City Council Meeting. A motion was made by Councilmember Elliot Weser to approve the minutes of June 28, 2010 as amended. The motion was seconded by Mayor Pro Tem Stan McCormick and passed by unanimous vote.

Mayor Cooper asked City Council for any corrections to the minutes of the July 20, 2010, Budget Work Session. A motion was made by Councilmember Elliot Weser to approve the minutes of July 20, 2010 as amended. The motion was seconded by Councilmember Fred Prassel and passed by unanimous vote.

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Item # 3 City Manager's Report

a. Update on E. Castano Avenue

Ms. McGlone announced that the utility and resurfacing work on E. Castano Avenue was completed on schedule and prior to the beginning of the school year. She added that portions of E. Fair Oaks Drive were repaired and restriped.

b. Update on Vehicle Burglaries

Chief Pruitt announced that on July 13th, five vehicle burglaries occurred on Rosemary Avenue during the early morning hours. With the assistance of a resident and the Burglary Task Force, the suspect was identified and arrested. He stated the suspect's girlfriend and another male subject were identified as accomplices.

c. Update on the first monthly Lunch with the Mayor, July 22nd

Ms. McGlone informed Council of the first monthly "Lunch with the Mayor" that was held on July 22nd. The Mayor met with fifteen (15) commercial property owners to discuss items such as economic development issues, the Capital Improvement Program (CIP) and the floodplain map. A series of similar meetings are scheduled to be held throughout the year.

d. Update on the first monthly Coffee with the City Manager, July 22nd

Ms. McGlone informed Council of the first “Coffee with the City Manager” that was also held on July 22nd. Over fourteen (14) residents attended and were invited to discuss any concerns with the City Manager. The public is welcome to attend the monthly event which occurs on the 3rd Thursday of each month at La Madeleine Restaurant, 4820 Broadway at 8:00 a.m.

e. Schedule public presentation of preliminary drainage improvement plan currently being studied and evaluated by Bexar County

Ms. McGlone announced the San Antonio River Authority (SARA) has proposed a preliminary stormwater improvement plan for the Alamo Heights area. Staff has received requests to present the preliminary plan to the public and SARA has agreed to make the presentation of the preliminary plan. Ms. McGlone sought direction from City Council on where and when SARA may make the public presentation. Mayor Cooper suggested the presentation should be at a City Council meeting. Councilmember Elliot Weser agreed and Councilmember Bobby Rosenthal suggested SARA conduct the presentation in September.

f. Councilmember Prassel’s request to adopt new procedures for consideration of City Council agenda items and scheduling of special meetings of the City Council

Ms. McGlone informed City Council of Councilmember Prassel’s request to adopt new procedures for consideration of City Council agenda items and scheduling of special meetings of the City Council. She stated a Council procedure was adopted in October 2006 and revised in July 2007. She recommended for this item to be considered by the Governance and Communications Committee and provide a report to Council.

Councilmember Prassel stated he submitted a memo to the City Secretary for consideration of adopting this policy for the August 9th City Council Meeting and it was not placed on the agenda for adoption. Ms. McGlone stated the item needed to be reviewed by the City Attorney to avoid any potential conflicts with the Charter or the City Council’s adopted Rules of Procedure.

There was discussion among Council regarding current procedures and the consideration to adopt the ordinance. Councilmembers agreed to consider this item at the next Council meeting on August 23rd to ensure proper legal review.

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Citizens To Be Heard Concerning Non-Agenda Items

There were no citizens to be heard.

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Consent Items

Item # 5 Mayor Cooper read the following captions.

**Request for permission to refund duplicate or erroneous
property tax payments to the following taxpayers**

Juanita G. Newton	130 Terrell Road Unit 1	\$1,653.60
HEB Grocery Co., LLP	4821 Broadway	\$ 835.31
TOTAL:		\$2,488.91

Item # 6

ORDINANCE NO. 1874

**AN ORDINANCE TO AMEND CHAPTER 18 OF THE
CODE OF ORDINANCES TO CREATE SCHOOL
CROSSING ZONES IN THE 100 BLOCK OF BARILLA
PLACE AND THE 100 BLOCK OF MARCIA PLACE**

A motion for approval for Consent Item No. 5 and No. 6 was made by Councilmember Bobby Rosenthal. The motion was seconded by Mayor Pro Tem Stan McCormick and passed by unanimous vote.

Item # 7

**AN ORDINANCE AMENDING CHAPTER 18 – TRAFFIC,
ARTICLE VI – TRAFFIC SCHEDULES, SECTION 18-152
SCHEDULE G – PARKING PROHIBITED OR LIMITED
ON CERTAIN STREETS, BY REPEALING WEST
FAIROAKS, NORTH AND SOUTH SIDES, IN THE 100
BLOCK FROM “NO LONGER THAN 2 HOURS, FROM
8:00 A.M. TO 6:00 P.M., EXCEPT SUNDAY”, BY
REPEALING “NO LONGER THAN 2 HOURS, FROM 7:00
A.M. TO 5:00 P.M., ON ANY SCHOOL DAY”, AND BY
ADDING A NEW CATEGORY TO SECTION 18-152,
SCHEDULE G – “NO LONGER THAN TWO HOURS,
FROM 8:00 A.M. TO 5:00 P.M., SCHOOL DAYS ONLY” TO
INCLUDE ALAMO HEIGHTS BOULEVARD, EAST AND
WEST SIDES, BETWEEN TUXEDO AVENUE AND WEST
CASTANO AVENUE, AND COLUMBINE STREET, EAST
AND WEST SIDES, BETWEEN WEST ELMVIEW PLACE
AND TUXEDO AVENUE, AND TAXEDO AVENUE,
NORTH AND SOUTH SIDES, BETWEEN ALAMO
HEIGHTS BOULEVARD AND COLUMBINE STREET,
AND WEST CASTANO AVENUE, NORTH SIDE BETWEEN
ALAMO HEIGHTS BOULEVARD AND BROADWAY, AND
WEST ELMVIEW PLACE, IN THE 100 AND 200 BLOCKS,
NORTH AND SOUTH SIDES, AND WEST FAIROAKS
PLACE, IN THE 100 AND 200 BLOCKS, NORTH AND
SOUTH SIDES**

Mayor Cooper pulled Item # 7 and requested that the Infrastructure and Services Committee re-evaluate the parking situation and collaborate with the Alamo Heights Independent School District (AHISD).

Chief Pruitt presented a map of the current parking situation and stated the issues at hand are the amount of cars and the parking behaviors in the residential areas. He stated a meeting with Dr. Browne was held and the restricted parking zones were favorable.

Mayor Pro Tem McCormick mentioned that a prior traffic study was conducted in this area. Mayor Cooper added that perhaps its time for a new traffic study. Councilmember Rosenthal noted that some streets are narrow and parking has always been an issue.

Mayor Cooper stated every action related to parking seems to cause a domino effect within the neighborhood. He reiterated his request for this item be reconsidered by the Infrastructure and Services Committee and a report provided to Council on their findings.

The following citizens spoke on this matter:

Margaret Reasor, 232 Tuxedo Avenue, stated going in and out of her residential street is dangerous. She expressed her support of the parking restrictions and submitted a petition of support to include the 200 block of Tuxedo Avenue in the "Request for New Restricted Parking Zones – 2 parking – 8:00 a.m. – 5:00 p.m. School Days". She stated that excluding her residential street from the ordinance would more than likely increase the amount of students parking on her street.

Suzy Bettac, 126 Rosemary Avenue, reminded Council that a traffic study was done and a new traffic study is not needed. At the time of the traffic study, the parking situation did not meet the recommendation but maybe today it does. She added for the City to look into the flooding issues that are nearby. She stated she knows residents who want the median in Vanderhoven Drive behind the high school removed.

Bill Kiel, 124 Corona Avenue, agreed with Ms. Margaret Reasor regarding Tuxedo Avenue, that there is parking difficulty. He recalled a similar situation with Katherine Court in which temporary no parking signs were placed along the street and the result was less parking on the street.

Susan Harwell, 231 E. Fair Oaks Place, requested to be involved if a new parking study is undertaken. As a resident of 25 years, she provided background information in which a two-way traffic median was created that contained broken areas within the median for emergency access. She expressed her support for further study into the issue.

A motion was made by Councilmember Prassel to table this item for further discussion by the Infrastructure and Services Committee. The motion was seconded by Mayor Pro Tem McCormick and passed by unanimous vote.

**AN ORDINANCE GRANTING A LICENSE TO THE
ALAMO HEIGHTS OPTIMIST CLUB TO USE A PORTION
OF VIESCA STREET AND THE PARKING AREAS
ASSOCIATED WITH THE ALAMO HEIGHTS SWIMMING
POOL FOR AN EVENT TO BE HELD ON SATURDAY,
APRIL 9, 2011**

Mayor Pro Tem McCormick pulled this item for discussion.

At 6:39 p.m., Councilmember Prassel recused himself as he is a member of the Alamo Heights Rotary Club.

Alamo Heights Optimist Club representatives, Kevin Kiser and Marty Valadez were present.

Council members posed questions related to the closure of Viesca Street on the night prior to the event, hours of the event, set up, notification to neighboring property owners and inspection. Mayor Cooper suggested temporary no parking signs to be displayed in preparation of the event.

Councilmember Rosenthal requested that the Little League be notified of the event to ensure there is no impact to their baseball schedule. Mr. Eddy stated there is a clause in the agreement regarding coordination with the Little League. Mr. Kiser responded there will be coordination with the Little League.

Councilmember Weser expressed concern on vague language related to net revenue donation and suggested the language made clear as a specific percentage rather than portion. He asked if the remaining revenue may be donated to an important organization that is not connected to Alamo Heights. Councilmember Weser requested to clarify the reporting process, in which the Optimist Club will provide a report by the end of the year rather than prior to each event.

In response to Councilmember Weser's requests, Mr. Kiser agreed to donate 50% of the proceeds to be used to support charities, programs or non-profit organizations that serve children in the City of Alamo Heights or the Alamo Heights ISD. Mr. Kiser also agreed to submit a report to the City of Alamo Heights for the 2011 Fiesta event by the end of 2011.

Mr. Eddy reminded Council that the language in the contract was the same as previously offered to the Rotary Club and staff will make Councilmember Weser's requested revisions.

Mayor Pro Tem McCormick asked Councilmember Rosenthal if Councilmembers are covered in the indemnification since the language does not specifically include Councilmembers. Mr. Eddy stated Councilmembers are considered officers and therefore are covered. Mayor Pro Tem McCormick requested to include Councilmembers in the Indemnity portion of the agreement. Ms. McGlone agreed to his request.

Mayor Cooper reminded Staff and the Optimist Club of the temporary no parking signs on the parking lot on Friday evening. Council requested that the agreement require the placement of no parking signs, accordingly.

Councilmember Rosenthal thanked the Optimist Club for agreeing to host the event on a different night than the Rotary Club's event. He requested that the Rotary Club be notified about the event.

Mayor Cooper stated his support the event.

A motion was made by Councilmember Rosenthal as amended with the requested changes to the contract. The motion was seconded by Councilmember Weser and vote was passed by four ayes: Mayor Pro Tem McCormick, Councilmembers Rosenthal, Weser and Savage.

Councilmember Prassel returned to the Chambers at 6:53 p.m.

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Staff Reports

Item # 9 Mayor Cooper read the following caption.

Briefing on the proposed Dog Park

Community Development Director Brian Chandler provided a PowerPoint presentation that included background information, photos of established dog parks, the proposed dog park location, and information on the public process.

Mr. Chandler presented proposed dog park rules and reviewed frequently asked questions. The presentation was concluded with pros and cons related to dog parks in general and the site specifically. The City Secretary also provided the City Council with a range of estimated cost to construct a dog park.

The following citizens spoke on this matter:

Janet Massey, 201 Ellwood Street, dog owner, expressed support for the dog park and stated she goes to the McAllister dog park in San Antonio. She recommended a 6-foot fence to enclose the park. She commented that if the City uses a minimal amount to fund the dog park it might not be as inviting. She suggested to the City to pursue the project. She stated an age limit and size needs to be established for children and a rule stating that a dog owner must be able to control their dog. She also asked about the size of location.

Laurie Saunders, 536 Ogden Lane, dog owner, stated she has the capability of obtaining \$10,000 and start a 501c3 corporation in support of the dog park. She knows volunteers who are able to commit their time to assist with the needs of the dog park.

John Joseph, 206 Joliet Avenue, requested to see the breakdown of the dog park and commented no information was available to the audience on the financial information for the dog park. He asked if there would be a sprinkler system in the dog park. Mr. Joseph expressed concern that coyotes have previously been sited near the proposed location of the dog park. Police Chief Pruitt stated his belief that coyotes are no longer located in the area. Mr. Joseph asked if the dog park will be restricted for use by residents only and suggested that the City impose a user-fee.

Mr. Chandler responded to Mr. Joseph that a sprinkler system is not currently being planned to be installed in the proposed dog park. Ms. McGlone stated that mulch is being proposed for the dog park.

David Barranco, 4940 Broadway, expressed his support of the dog park to serve all aspects of a community park. He stated that members in the audience would like the support of the City Council in order to commence planning and coordination efforts.

Bill Kiel, 124 Corona Avenue, expressed support in the dog park as it will be a place for dog owners to meet other dog owners from the community. He did not support the dog park being restricted to only the residents of Alamo Heights. He stated the citizens are looking for support from the City Council.

Madelon Highsmith, 323 Cloverleaf Avenue, expressed concerns about parking and the homeless utilizing the restrooms. She expressed her support in the creation of a 501(c)3 corporation.

Lissa Martinez, 700 Alta Avenue, expressed concern about whether the project had been properly coordinated with the San Antonio River Authority (SARA). Ms. Martinez stated that due to Olmos Basin area being in a flood plain and stated that any planning for this area has been discouraged by that agency.

Pryn Hildebrand, 323 Primrose Place, expressed her support for the dog park and recommended that funding should be available prior to proceeding with the plan.

Margaret Spencer, 140 Patterson Avenue, asked if the dog park would be created and maintained by private funding and if the City was providing any funding. She requested clarification of the definition of small children.

Mayor Cooper responded to Ms. Spencer that the amount of funding is unknown at this time. Mr. Chandler stated that small children could be defined as toddlers.

Mayor Pro Tem McCormick shared an experience with a dog park in California and perhaps the proposed dog park may be scaled down with no showers or bathrooms. He also suggested that perhaps a picnic table may be purchased by a family as the letters for the "Hollywood" sign were in Hollywood, California. He also suggested pledge cards.

Councilmember Weser stated the City does not have funding for the dog park and suggested that the dog owners form an organization to fund and maintain the dog park. He

acknowledged that \$10,000 was donated from the Brown Foundation and expressed his desire to hear from the public about the dog park.

Councilmember John Savage asked Mr. Chandler how many private organizations build and maintain dog parks. Mr. Chandler stated there are a number of publicly owned projects that the Houston Dog Park Association has assisted, cultivating a private/public relationship.

Councilmember Rosenthal noted that when the City purchased the property, the City agreed not to build any structures on the property that would impede the flow of water, consequently, the park location is perfect for the project.

Suzy Bettac, 126 Rosemary Avenue, asked if the \$10,000 donated by the Brown Foundation could be transferred to a 501(c)3 organization if the donated money is not utilized. She suggested that the City match the money if designated to a non-profit corporation to display a commitment to the project.

Councilmember Weser stated he would need to research the conditions in the grant agreement as to whether the money would have to be returned or if it could be contributed to a non-profit corporation.

Mayor Pro Tem McCormick asked about how viable a 501(c)3 corporation is in obtaining contributions. Mr. Chandler responded that the City of Fort Worth has an active non-profit dog park organization that supports the municipality. He also noted that the City of Plano currently does not have an active dog organization and such assistance is missed.

Councilmember Prassel asked Mr. Chandler if he could obtain an accurate number of dog owners and in Alamo Heights and contact the City of San Antonio about obtaining some of their land. Mr. Chandler replied that he will explore options with the City of San Antonio.

Council agreed to forward the issue to the Neighborhood Character and Commercial Revitalization Committee for further discussion and provide a report to Council on the status of the dog park.

Mayor Cooper suggested staff write an article in a future City newsletter to see if citizens are interested in the proposed dog park.

Mayor Cooper announced that Item # 13 would be considered next.

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Item for Individual Consideration

Item # 13 Mayor Cooper read the following caption.

Public Hearing and Consideration of an Ordinance on proposed Zoning Code amendments to Chapter 3 of the Code of Ordinances to restrict drive-through facilities in business zoning districts

Community Development Director Brian Chandler provided a PowerPoint presentation that included background information, a map and information about existing drive-through facilities.

The Planning and Zoning (P&Z) Commission recommended that the existing 15 drive-through facilities continue as drive-through facilities even if these amendments are approved. With approved Charter 3 amendments, the P&Z Commission recommended that drive-through facilities in all three business districts be required to obtain a Specific Use Permit (SUP) and a committee formed to evaluate the SUP applications.

Mayor Cooper opened the public hearing at 8:31 p.m.

The following citizens spoke on this matter:

Glenn Huddleston, 4061 Broadway, commercial property owner, supported the proposed amendments of Chapter 3, which is consistent with the Comprehensive Master Plan. He stated he has served on the River North Planning Committee and the Tax Increment Financing Zone (TIRZ) Board to develop master plans for pedestrian friendly areas that are conducive to walking. He stated the industry of Alamo Heights is mostly retail and best facilitated by sidewalks and trees for the best interest of pedestrians.

Mayor Pro Tem McCormick related that in Delmar, California there is retail industry on both sides of the main street with a tree-filled median down the center which is very pedestrian friendly. Also, there are mid-block pedestrian cross walks which make the commercial district very pedestrian and shopper friendly. He also agreed with Mr. Huddleston's suggestion.

Mayor Cooper asked if an occupant of a current drive-through facility would lose the ability to have a drive-through if they temporarily abandoned the building.

Mr. Chandler stated the proposed ordinance is effective for future applicants. Drive-through use would be grandfathered, except that it would be considered non-conforming if abandoned for more than six (6) months.

Mr. Eddy added that if the drive-through was granted through an SUP, it would be subject to the language included in the SUP.

John Joseph, 206 Joliet Avenue, encouraged Council to pass the ordinance.

Bill Kiel, 124 Corona Avenue, recommended that City staff should contact business property owners about the proposed ordinance.

Margaret Spencer, 140 Patterson Avenue, asked about the number of SUPs that are in use. Mr. Chandler responded that on McDonalds Restaurant has been issued an SUP for a drive-through.

There was a discussion among Council regarding the consideration of adoption of the ordinance or postponement. Councilmember Rosenthal suggested continuing this item on the August 23rd Council meeting as a consent agenda item.

Mayor Cooper closed the public hearing at 8:50 p.m.

A motion to continue this item at the August 23rd meeting was made by Councilmember Rosenthal. The motion was seconded by Councilmember Prassel and passed by unanimous vote.

Mayor Cooper announced Item # 10 would be considered next.

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Staff Reports (continued)

Item # 10 Mayor Cooper read the following caption.

Briefing on the proposed Charter Amendment, Initiative and Referendum, to be considered as a proposition at a future uniform election

Assistant City Manager/Public Works Director Shawn P. Eddy provided a PowerPoint presentation that included background information.

Councilmember Prassel stated he would be open to the charter amendment being considered in May to save the taxpayers' dollars.

The following citizens spoke on this matter:

Bill Kiel, 124 Corona Avenue, asked Council to consider amending Recall to match whatever number of signatures were required for Initiative and Referendum.

John Joseph, 206 Joliet Avenue, expressed concern on the number of signatures needed and the legal language in the petition. He expressed support to include Initiative and Referendum in the charter. He recommended no more than 500 signatures be required for a valid petition.

Suzy Bettac, 126 Rosemary Avenue, stated there may be advantages and disadvantages in considering Initiative and Referendum. She asked if the November election was included in the budget. She stated she always felt comfortable in the decisions that councilmembers made.

Madelon Highsmith, 323 Cloverleaf Avenue, requested explanations on the exceptions for a referendum.

Mr. Eddy explained to Ms. Highsmith which certain exceptions are proposed to be exempted from the Initiative and Referendum process.

Councilmember Weser suggested Recall should be addressed separately and Initiative and Referendum should be included requiring 10% of registered voters as a minimum number. He suggested considering a petition to go forth with a minimum of 500 signatures. He stated he does not think municipalities experience a ping-pong affect as part of the Initiative and Referendum process.

Mr. Eddy reminded the Council that state law only allowed the City to change the City Charter every two (2) years. He also provided fluoride as an example of a potential challenge with Initiative and Referendum. He stated the City may spend money on installation of equipment and citizens can remove ordinance by submitting a petition that meets the requirements. Mr. Eddy also noted that the Council may not have the opportunity to revise the language in an Ordinance proposed through Initiative.

There was a discussion among Council in determining the minimum number for signatures required validating a Recall and if the Initiative Referendum and Recall should go forth in the November 2, 2010 election.

Council directed Mr. Eddy to prepare for a November 2nd election to include Initiative and Referendum with a minimum of 500 signatures or 20% of the registered voters for the Initiative and Referendum process. Related to Recall, staff was directed to amend the charter to make the petition and procedures for recall consistent with the Texas Election Code.

Item # 11 Mayor Cooper read the following caption.

Presentation of Proposed FY 2010 -2011 Operating Budget and Scheduling a Public Budget Hearing

City Manager Ann McGlone provided a Powerpoint presentation that included fiscal data, economic outlook, and property and sales tax information.

A chart of FY 2010-2011 proposed general fund revenues were displayed.

Assistant City Manager/Public Works Director Shawn P. Eddy presented a summary of general fund. He reviewed the proposed utility fund appropriations. He noted the utility fund was recently revised to represent cash value.

Mr. Eddy reviewed improvements/program changes which included one-time performance pay, purchase of a plotter for Community Development, fire investigator training, and capital police equipment. He also noted a slight increase in the volumetric sanitary sewer rate which would equate to an increase of about \$0.73 per month for the average sewer customer. He summarized the budget with no increase in the property tax rate and adequate transfers to support the Street Maintenance, Capital Replacement and Comprehensive Plan Funds. He reviewed the combined summary reconciliation which included revenues, appropriations, and the different types of fund balances.

A public hearing is scheduled on Monday, September 13th. The proposed budget and ad valorem tax rate will be considered by City Council for adoption on Monday, September 27th.

Mr. Eddy noted that printed copies of the proposed budget would be available on August 10th, at reproduction costs, and also available on the City's website.

Item # 12 Mayor Cooper read the following caption.

Presentation of the Proposed FY 2011 Tax Rate

Finance Director Cynthia Barr provided background information on the proposed FY 2011 tax rate.

She explained the effective and rollback tax rate and stated the proposed tax rate of .355662 does not exceed the effective tax rate of .378157; therefore City Council is not required to hold public hearings and publish notices pursuant to established Truth-In Taxation Guidelines.

Councilmember Weser presented a bar graph displaying the general fund gross available balances between FY 2008-2011. He expressed his concern about the downward trend and noted that the community needed to be aware of the trend.

Mr. Eddy acknowledged that trend and provided further explanation as to why the general fund balance was decreasing over the 4-year period. He noted significant transfers to the Street Maintenance Fund to properly fund the 20-year street maintenance plan and transfer to the a Capital Replacement Fund to save money for future capital purchases.

Councilmember Savage stated that the proposed budget included more expenditures than revenues in the next fiscal year but noted that it was spending reserves that had collected in previous years for the purposes for which the dollars had been collected. He mentioned that the budget did transfer revenue collected for telecommunications agreements from the Utility Fund to the General Fund. He explained that available funds in the Utility fund are decreasing by 1.5 million because of new water and sewer lines that are being constructed and the continued expenditures of the 2007 Certificates of Obligation.

Councilmember Weser asked why there had been some recent changes in the proposed budget. Councilmember Rosenthal stated the Accountability and Management Committee recently recommended revising the Utility Fund schedule to reflect unrestricted net assets or cash value as opposed to total net assets which include depreciation and the value of capitalized assets such as infrastructure and equipment.

Mr. Eddy thanked Councilmembers Rosenthal and Savage for their advice and support while serving on the Accountability and Management Committee. Ms. McGlone appreciated the time that was spent by her staff and the Council in preparation of the proposed budget.

Councilmember Savage expressed his appreciation to staff for making the information understandable.

Bill Kiel, 124 Corona Avenue, stated changes that were made were good despite of the current economic times. Mr. Kiel referenced Councilmember's Weser's graph on the account balance and stated he also observed a decreasing trend of available general fund balances.

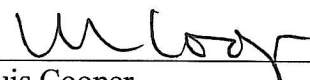
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There being no further business, a motion was made by Mayor Pro Tem McCormick to adjourn the meeting. The motion was seconded by Councilmember Savage and passed by unanimous vote. Mayor Cooper adjourned the meeting at 10:51 p.m.


Jennifer Reyna, TRMC
City Secretary


Louis Cooper
Mayor